RJ Reynolds Tobacco Company

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SENT VIA E-MAIL

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To: Regional Managers/Region Business Managers/Regional Operation Managers

To better identify strategic opportunities in 1996 an effort is underway to establish a top priority chain ranking from a national and sales area perspective. This customer list will be beneficial in determining where we stand from a % CIV coverage position with the major players in each class of trade. By knowing where the issues are we can then develop future programs to address these issues/opportunities and obviously know where our key focus should be.

In order to effectively weigh % CIV contribution and capture the necessary data needed for this priority ranking, it is critical that SIS information is accurate. All of the needed data is standard SIS information from the following five fields:

1. SIS Volume - Accurate, up-to-date volume will drive % CIV contribution. Where we know AIM data is accurate and comprehensive it should be used to mass update chains (or update independents) if SIS volume isn't complete and as accurate as possible it can impact your regions % CIV coverage.

2. Contract Accuracy - A given. Moving forward, the elimination of grandfathered accounts will provide a clearer picture on what percent of our contracted universe meets the objective of supporting two Full Price Brands and one Savings Brand.

3. Chain I.D. Designations/Hierarchy - All current chain I.D. designations should be evaluated to ensure the appropriate hierarchy will roll up to the headquarter point. Keep in mind what we are trying to accomplish... A roll-up by class of trade (pack, carton or cigarette outlet) that indicates the relative significance of the % CIV contribution the chains headquarter controls. For example:

   Mobile Power Buyers Group

   Old:

	CTNS/WK	% CIV
1700 00 00 Mobil Power Buyers	29,945	.10%
2794 00 00 PBD West	29,688	.10%
2829 00 00 Mobil Oil Dealers	25,937	.08%
• Will roll up as 3 separate accts.	85,570	

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Source: https://www.industrydocuments.ucsf.edu/docs/typm0000

New:

	CTNS/WK	% CIV
2794 01 00 PBD - West		
2794 02 00 Mobil Power Buyers		
2794 03 00 Mobil PBD - Midwest		
TOTAL	85,570	.28%

- Will roll up as one account with significant % CIV impact

4. Account Segment Designation - Needs to be accurate to reflect appropriate pack, carton or cigarette outlet % CIV contract coverage.

   Pack = CN, GS, GK, DG, SF, TB, LQ, TG, OH
   Carton = SM, MM, SC, DD, DT
   Cigarette Outlet = CO, RS, B1, CS, MC

5. Merchandising Tables - The new merchandising tables have been pared down to only nine entries. Accuracy will significantly improve our ability to determine the merchandising situations/trends in accounts.

Package Accounts	Package And Carton Accounts
• 1 RJR FPD Parity	• PM Exclusive
• 1 RJR FPD Disadv.	• PM Masters
• 2 RJR FP Display	• BW Perform Plus
• RJR Non Pd FPD	• Lor Perm Disp
• RJR Non Pd SD	

We are committed to providing an update of our progress on the "Top 150" to Andy and Jim every six to eight weeks. We obviously want to ensure our sales area is accurately represented in this process.

Attached is the preliminary cut at our "Top 150 Chain" priority ranking. Once the chain hierarchies have been re-evaluated an updated "Top 150" will be generated. Please ensure these chain updates are completed by 3/23/96.

Any questions should be directed to your area merchandising manager.

Sincerely,

Dave

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